

DO YOU FIT UNDER ANY OF THESE CRITERIA?

1. - You are ***single***, your income (minus your medical expenses) is less than \$530 (year 2001) for any month, and counted assets are less than \$1,500.
- You are ***married***, your income (minus your medical expenses) is less than \$796 (year 2001) per month, and counted assets are less than \$2,250.
- If either of the above are true, then you are probably *eligible for Medicaid now* and you need to visit your local Office of Family and Children.
2. You have a disabling health condition or you are over age 84.
3. Your *countable assets are less than the cost of one year in a nursing home* (around \$40,000) or based on your "left over" income (see p. 5), paying for long term care insurance premiums would be difficult or result in a significant change in your life style, or any future premium increases would also result in these situations.

*If you meet any of the above criteria, long term care insurance may not be for you.
SKIP TO THE "OTHER OPTIONS" SECTION ON PAGE 10.*

LONG TERM CARE INSURANCE POLICY BENEFITS TO CONSIDER

INSURANCE OPTIONS: Indiana residents have a choice of traditional long term care (LTC) insurance *or* Indiana Partnership policies.

1. There are three different options for purchasing LTC insurance. Indiana Partnership policies offer two options: nursing home only or a combination type policy. *Which type of LTC coverage do you prefer?*

NURSING HOME ONLY

HOME AND
COMMUNITY CARE
ONLY*

COMBINATION NURSING HOME
WITH HOME AND COMMUNITY CARE

* Home and community care may include home health care, adult daycare, respite care and homemaker services.

2. **Daily Benefit** - You choose the amount of benefit you want the policy to pay towards the daily cost of your care.

a. What is the daily cost of nursing home care in your area? Call and ask 2 or 3 nursing homes in your area.

(1) \$ _____ (2) \$ _____ (3) \$ _____

b. **Co-insuring Capability** - The lower the daily benefit selected, the lower the premium. You need to decide what portion of the daily cost of care you would be able or are willing to pay.

(1) Will your "left over" income (on p.5) cover \$10, \$20, or \$30 a day for the cost of care?

(2) If the above answer is yes, are you willing to pay this amount in order to lower the cost of your premium, by lowering the daily benefits you buy?

c. What would you like your daily benefit to be (based on answers to '2a' and '2b' above)? \$ _____

3. The cost of care in a nursing home will increase over the years due to inflation. An option you can buy to protect against this increase is *inflation protection*. Inflation protection will increase your policy's daily benefit and reduce the amount you will pay out in the future. Inflation protection **must** be included in Indiana Partnership policies.

Do you want inflation protection? _____

4. **Elimination Period** - You choose how many days you must wait after you are admitted to a nursing home, before your policy will begin paying for your care.

Choices are: 0, 20, 30, 60, or 100 days.

(0 days = most expensive premium. 100 days = least expensive premium.)

You will have to use your resources (such as income, interest, or assets) to cover the cost of care during the elimination period. To determine your costs during this time: choose a daily nursing home cost from '2a' above. Multiply it by the number of days you choose for the elimination period.)

_____ X _____ = _____
(daily nursing home cost) (# of elimination days) (your cost)

5. Nursing homes may request one month payment in advance, at admission. Insurance companies pay on a reimbursement basis. This means it could be 30-60 days after you enter a nursing home (plus any days under your policy's elimination period) before your policy begins to pay. Therefore, you will need enough money to cover these initial days of care.

Example: 60 days x daily cost of care (from '2a on p.9)= _____

6. Insurance will *NOT* cover all of your LTC expenses. Ex: policies typically *do not* cover prescription drugs. Plan to have extra money to pay for items not covered in the policy.
7. **Maximum Benefit** - This is the total number of days or total dollar amount the policy will pay. Choices include a specific # of days (or years), lifetime coverage, or a specific \$ amount.

What would you like for your maximum benefit? _____

OTHER OPTIONS

Self Insuring

This option is most appropriate for persons who are able to invest income and assets over a number of years to cover the costs of long term care. You may wish to speak with a financial consultant or advisor.

Reliance on Medicaid

- a. Persons with limited income and assets should **NOT** purchase LTC
- b. Persons who do not have or cannot get health insurance (possibly due to a health condition) may wish to consult an attorney familiar with Medicaid Law.
- c. To apply for Medicaid services, call your local Office of Family and Children.

Retirement Communities

- a. Continuing Care Retirement Communities offer a range of levels of care from independent apartments to nursing home care. The monthly fee is based on the level of care received.